

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)

Implementation of Section 309(j)
of the Communications Act)

PP Docket No. 93-253

Competitive Bidding)

To: THE COMMISSION)

**COMMENTS OF
TELEPHONE AND DATA SYSTEMS, INC.**

Telephone and Data Systems, Inc., on behalf of itself and its subsidiaries (collectively "TDS"), by its attorneys, files its comments regarding the petitions for reconsideration pursuant to Section 1.429 of the Commission's rules of the final action in the Commission's Fifth Report and Order in the above-captioned proceeding.¹ We address here the expansion of eligibility for partitioned licenses to encourage rapid and cost-effective deployment of broadband PCS by wireline exchange carriers serving rural areas.

INTRODUCTION

We echo the concerns expressed in the petitions of Century and Citizens that the Commission can and should do more to create incentives through geographic partitioning for broadband PCS deployment in rural areas.²

The Commission has repeatedly recognized in these proceedings the valuable contribution which the wireline telephone industry potentially can make to promote the rapid availability of advanced

¹ Specifically, we address the petitions filed by Century Telephone Enterprises, Inc. ("Century") and Citizens Utility Company ("Citizens").

² Citizens Petition, p. 9 and Century Petition, pp. 3-4.

wireline services in rural areas. Geographic partitioning policies promoting rural service objectives will permit broadband PCS licensees to share service deployment responsibilities in rural areas with the wireline companies already serving those areas. Clearly the residents of rural America will benefit by permitting carriers with longstanding and strong financial interests in serving those residents a fair opportunity to do so.

We support adoption of expanded eligibility options for wireline exchange carriers to hold partitioned licenses. We believe that Century's "three-prong test" which limits the number of access lines in the study area involved and the number of access lines in any single exchange within that study area is an appropriate measure of the "rural" character of an area. Alternatively, we support adoption of the definition of "rural" proposed by the Rural Telephone Coalition.³

DISCUSSION

1. There is Strong Public Policy Support for Expanded Eligibility for Rural Telephone Companies to be Granted Partitioned Licenses.

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- ³ A rural telephone company is a local carrier that
- (a) provides local exchange service to a local exchange study area that does not include either --
 - (1) any incorporated place of 10,000 or more, or any part thereof; or
 - (2) any territory, incorporated or unincorporated, included in an urbanized area as defined by the Bureau of the Census as of August 10, 1993; or
 - (b) provides telephone exchange service by wire to less than 10,000 access lines.

We strongly support expanded options for companies like Citizens, Century, TDS and others who are broadly committed to service in rural America. As stated by the National Telephone Cooperative Association ("NTCA"):⁴

"Many truly small telephone companies are organized as holding companies or under corporate structures which encompass wholly or partially owned subsidiaries and affiliates. NTCA believes the Commission did not intend to exclude small, rural telcos just because of their corporate organizational structure. Thus it urges the Commission to modify its Order to remedy the apparently unintended effect of conflicting and unclear statements."

We disagree totally with the Commission's conclusion that "...[the current] definition [of "rural telephone company"] will include virtually all of the telephone companies who genuinely are interested in providing services to total areas."⁵

Each of the companies listed here, and many more, have made substantial commitments of capital and personnel resources to expand telecommunications options in rural America. TDS has been deeply committed to rural service since the founding of the company in 1969. It operates 96 small telephone companies serving hundreds of rural communities with over 350,000 total access lines in 28 states.⁶ Citizens is acquiring from GTE Corporation approximately 500,000 access lines "...located primarily in rural areas in nine

⁴ NTCA Petition for Reconsideration of the provisions of the Second Report and Order, p. 6.

⁵ Fifth Report and Order, ¶ 8

⁶ We submit for the record an attachment listing the TDS companies and the communities served by each as of August 31, 1994.

states."⁷ Century has 35 operating companies providing approximately 434,000 access lines in rural areas of 15 states.⁸

The combined total of just these three companies includes more than 1,300,000 access lines in rural areas, a large number by any measure but still only a portion of the total access lines in rural areas. We believe Congress did not intend for the residents of these and other rural areas to be bypassed in the Commission's policy formulations for rural wireless development.

2. The Commission Should Expand Its Definition of Rural Telephone Companies Eligible for Geographic Partitioning in Terms of Study Area/Exchange Size.

The Commission can best achieve its statutory mandate for rural service development if it targets rural service areas which historically have been the last to benefit from the introduction of new technologies. The 100,000 access line cap which limits the eligibility of companies to qualify for geographic partitioning does not adequately define the "rural" character of the areas intended by Congress to be benefitted under the Commission's rules and policies. Adoption of expanded eligibility as proposed, would remedy this situation.

We support adoption of the three prong test proposed by Century because it reverses restrictions under the Commission's current definition of "rural telephone company" which foreclose rural service options. We also believe that this test introduces significant incentives for rural development by defining rural

⁷ Citizens Petition, p. 2.

⁸ Century Petition, p. 4.

service in terms of the "rural" characteristics of the established "wireline service areas" of each potential licensee, i.e. an FCC study area with 100,000 or fewer access lines comprised of exchanges with no more than 10,000 access lines each.⁹

3. The Expansion of Eligibility for Partitioned Licenses on Channel Blocks A, B, D and E Will Expand Rural Service Opportunities Without Conferring Financial Benefits.

We believe that the Commission can take an important step towards the rapid, widespread and cost-effective expansion of rural wireless services in the licensing of channel blocks A, B, D and E by expanding eligibility of partitioned licenses in rural service areas, as proposed here.

The Commission has already recognized in the Fifth Report and Order, ¶ 150, that many telephone companies serving rural areas are in no position to bid for an entire MTA or BTA just to cover their established rural service areas. This is particularly true on channel blocks A, B, D and E where the anticipated high cost of license acquisition and requirement for full funding of that cost shortly after license grant will preclude all but the very few largest carriers who have adequate resources to bid. Partitioning in such cases may be the only realistic option for companies

⁹ We do not support, nor do we understand that Century proposes, that any company which qualifies under the current definition of "rural telephone company" should be disqualified from holding a partitioned license if Century's three-prong test is adopted. We believe that the only changes needed are to expand such eligibility to include carriers, like TDS, Century, Citizens and others who serve the substantial number of rural residents in the wireline service areas where those carriers are uniquely positioned to deploy cost-effective advanced wireless services.

serving a large number of small exchanges spread across many states to acquire spectrum rights in those channel blocks.

Nor does such geographic partitioning foreclose the rights of other companies similarly to pursue acquisition of partitioned licenses covering their own wireline service areas on the same channel blocks. Section 24.714(d) of the Commission's rules effectively limits the scope of each partitioned license area thereby preserving options for other carriers to hold partitioned licenses for their own wireline service areas.

We also recognize that adoption of expanded eligibility as proposed here is no assurance that any bidder for channel blocks A, B, D or E will agree before or after the auction to sell any partitioned license. Such agreements are entirely voluntary, and subject to terms and conditions as the parties may agree upon subject to Commission approval. It is, however, an important option for a MTA or BTA licensee to shift deployment and build out responsibilities for selected rural portions of that MTA/BTA to a wireline carrier with established service commitments in those rural areas.

If as appears from the Fifth Report and Order the current definition of "rural telephone company"¹⁰ was adopted to avoid giving "special treatment" to large LECs, we believe such concerns are misplaced particularly in the case of channel blocks A, B, D and E. As explained above, there is no financial benefit conferred upon the licensee or any successor under a partitioned license on

¹⁰ Section 24.720(e) of the Commission's rules.

these channel blocks. The U.S. Treasury will have been fully paid the fair market value of the license before any assignment or transfer to a partitioned licensee can take place. The acquisition of a partitioned license in arms-length negotiations will reflect the fair market value of the license as acquired in the auction. This clearly confers no financial or other advantage upon the company acquiring a partitioned license.

4. Similarly Eligibility for Partitioned License on Channel Blocks C and F Should be Expanded to Reflect the Enlarged Role of Investors Who Are Not Members of the "Control Group" of a Designated Entity.

The Commission should recognize expanded geographic partitioning as proposed here in combination with the other financial incentives for bidders in channel blocks C and F will promote achievement of all elements of the Commission's statutory mandate, opportunity for minority and female owned businesses, small business participation and rural service deployment.

Geographic partitioning in this context creates incentives for joint ventures linking wireline carrier established in the rural parts of a BTA market with the minority and female owned businesses and with small business "control groups" interested in acquiring a license for that BTA market. The benefits from such incentives are clear.

The successful deployment and operation of start-up PCS operations on channel blocks C and F is going to be capital intensive and entail significant business risk. The chances of success will be highly dependent upon putting together the right

"team" which includes all companies which have assets, experience or other valuable contributions to make. We believe that non-controlling investments by companies like Century, Citizens, TDS and others in designated entities cannot help but increase the chances of such entities for success in auctions and later in service deployment. Their capital assets and valuable market knowledge about BTA areas where they already have wireline operations could be vital to the initial success of start-up PCS operations. The Commission has previously acknowledged the benefits of similar investments by cellular providers in designated entities.¹¹ The geographic limitations on the scope of the partitioned wireless service area assure that the designated entity licensee will retain control over the most economically viable markets in that BTA.

In terms of rural service deployment, companies like Century, Citizens, TDS and others already providing telephone service in rural parts of a BTA will be encouraged to develop new wireless systems in the BTA markets where they have longstanding commitments to significant numbers of existing rural subscribers. The prospect of partitioning even if not implemented during the early stages of PCS deployment will provide added incentives for deployment of wireline systems in those rural areas.

Nor do we anticipate that geographic partitioning on channel blocks C and F would unfairly confer financial benefits on "large

¹¹ Memorandum Opinion and Order, GEN Dkt. 90-314 released June 13, 1994, ¶ 127.

LECs" which appears to have been a significant consideration when the Commission adopted the current definition of "rural telephone company." During the period prior to Commission approval of geographic partitioning, the companies potentially qualifying under the expanded eligibility proposed here would be treated the same as other non-controlling investors in terms of the limited equity and voting interests which they could hold. These companies would receive no "special treatment" in that they receive no benefits which are not already available to other non-controlling investors. In the event such a company is qualified to partition and chooses to do so, it would be treated no differently than the "rural telephone companies" which meet the current eligibility criteria. Here again, no "special treatment" is involved particularly considering the reimbursement features of Sections 24.711(e) and 24.712(d) of the Commission's rules. In effect these and related rules provide for full reimbursement to the U.S. Treasury of amounts for the remaining unpaid principal balance in the case of installment payments and the amount of the bidding credit.

CONCLUSION

We believe that there is ample statutory, policy and record support for adoption of expanded eligibility for partitioned licenses as proposed by Century and Citizens. This is a potential win-win-win situation. In terms of advanced wireless service deployment in rural America, the benefits to the residents of those

areas are obvious for all of the reasons described above. Designated entities and non-designated entities alike will benefit because they will be permitted to assign service and construction responsibilities for the rural parts of their MTA or BTA service areas to wireline carriers who are uniquely qualified and have longstanding commitments to the residents of these rural areas. The "teaming" or joint venture relationships between designated entities and an expanded group of wireline carriers made possible if the proposals outlined here are adopted could contribute measurably to the financial resources available for system start-up and reduce associated business risks. In addition, the U.S. Treasury and the American taxpayer are benefitted because they are assured of receiving full fair market value for the partitioned license from the companies deploying rural service under partitioned licenses. The Commission should adopt such expanded eligibility in consideration of these matters.

Respectfully submitted,

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COMPANY	EXCHANGE	STATE	LINES	COMMUNITY
ARCADIA TELEPHONE COMPANY	ARCADIA	OH	733	ARCADIA
CHATHAM TELEPHONE COMPANY	AU TRAIN	MI	304	AU TRAIN
	CHATHAM	MI	708	CHATHAM
	SAND RIVER	MI	243	SAND RIVER
	SKANDIA	MI	707	SKANDIA
	TRENARY	MI	575	TRENARY
COMMUNICATIONS CORPORATION OF INDIANA	CLAYTON	IN	3174	CLAYTON
	FILLMORE	IN	585	FILLMORE
	NEW ROSS	IN	388	NEW ROSS
	ROACHDALE	IN	1852	BAINBRIDGE
	ROACHDALE	IN	1852	ROACHDALE
	WHITESTOWN	IN	2410	WHITESTOWN
	WICKLIFFE	IN	252	WICKLIFFE
COMMUNICATIONS CORPORATION OF MICHIGAN	AUGUSTA	MI	1943	AUGUSTA
	CLAYTON-MICHIGAN	MI	883	CLAYTON
	HICKORY CORNERS	MI	1316	HICKORY CORNER
COMMUNICATIONS CORPORATION OF SOUTHERN INDIAN	ELNORA	IN	488	ELNORA
	POSEYVILLE	IN	847	POSEYVILLE
	WADESVILLE	IN	517	WADESVILLE
CONTINENTAL TELEPHONE COMPANY	CONTINENTAL	OH	1185	CONTINENTAL
	GROVER HILL	OH	827	GROVER HILL
	MILLER CITY	OH	320	MILLER CITY
HOME TELEPHONE COMPANY OF PITTSBORO	PITTSBORO	IN	1832	PITTSBORO
HOME-WALDRON TELEPHONE COMPANY	WALDRON	IN	2058	BLUE RIDGE
	WALDRON	IN	2058	GENEVEA
	WALDRON	IN	2058	ST. PAUL
	WALDRON	IN	2058	WALDRON
ISLAND TELEPHONE COMPANY	BOIS BLANC	MI	244	BOIS BLANC
	ST JAMES	MI	643	BEAVER ISLAND
LITTLE MIAMI COMMUNICATIONS CORPORATION	BUTLERVILLE	OH	801	BUTLERVILLE
	FAYETTEVILLE	OH	1488	FAYETTEVILLE
OAKWOOD TELEPHONE COMPANY	OAKWOOD	OH	1080	OAKWOOD
SHIAWASSEE TELEPHONE COMPANY	BELL OAK	MI	650	BELL OAK
	PERRY	MI	3034	MORRICE
	PERRY	MI	3034	PERRY
	SHAFTSBURG	MI	1075	SHAFTSBURG
VANLUE TELEPHONE COMPANY	VANLUE	OH	889	VANLUE
WOLVERINE TELEPHONE COMPANY	FOSTORIA	MI	797	FOSTORIA
	MILLINGTON	MI	3833	MILLINGTON
	MUNGER	MI	808	MUNGER
	SANFORD	MI	2808	SANFORD
BADGER TELECOM, INC.	CHILI	WI	401	CHILI
	GRANTON	WI	881	GRANTON
	GREENWOOD	WI	1822	GREENWOOD
	GREENWOOD	WI	1822	WILLIARD
	NEILLSVILLE	WI	3473	NEILLSVILLE
BLACK EARTH TELEPHONE COMPANY	BLACK EARTH	WI	1290	BLACK EARTH
BONDUEL TELEPHONE COMPANY	BONDUEL	WI	1831	BONDUEL
	BONDUEL	WI	1831	NAVARINO
	BONDUEL	WI	1831	ZACHOW
BURLINGTON, BRIGHTON & WHEATLAND TELEPHONE CO	BOHNERS LAKE	WI	1354	BOHNERS LAKE
	WHEATLAND	WI	1833	WHEATLAND
CENTRAL STATE TELEPHONE COMPANY	AUBURNDALE	WI	1412	AUBURNDALE
	JUNCTION CITY	WI	1304	JUNCTION CITY
	LINDSEY	WI	888	LINDSEY
	MILL CREEK	WI	191	CITY POINT

COMPANY	EXCHANGE	STATE	LINES	COMMUNITY
DANUBE TELEPHONE COMPANY EASTCOAST TELECOM, INC.	NECEDAH	WI	2208	NECEDAH
	PITTSVILLE	WI	1438	PITTSVILLE
	VESPER	WI	878	VESPER
	DANUBE	MN	448	DANUBE
	CLEVELAND	WI	1270	CLEVELAND
	CLEVELAND	WI	1270	SPRING VALLEY
	COLLINS	WI	285	CATO
	COLLINS	WI	285	COLLINS
	HOWARDS GROVE	WI	2148	ADA
	HOWARDS GROVE	WI	2148	EDWARDS
	HOWARDS GROVE	WI	2148	FRANKLIN
	HOWARDS GROVE	WI	2148	HAVEN
	HOWARDS GROVE	WI	2148	HOWARDS GROVE
	ST. NAZIANZ	WI	748	MEEME
GRANTLAND TELECOM, INC.	ST. NAZIANZ	WI	748	OSMAN
	ST. NAZIANZ	WI	748	SCHOOL HILL
	ST. NAZIANZ	WI	748	ST. NAZIANZ
	VALDERS	WI	1138	CLARKS MILLS
	VALDERS	WI	1138	VALDERS
	BAGLEY	WI	438	BAGLEY
	BLOOMINGTON	WI	808	BLOOMINGTON
	FENNIMORE	WI	1808	FENNIMORE
	MT. HOPE	WI	451	MT. HOPE
	WOODMAN	WI	131	WOODMAN
KMP TELEPHONE COMPANY	KERKHOVEN	MN	714	KERKHOVEN
	MURDOCK	MN	355	MURDOCK
MID-STATE TELEPHONE COMPANY	PENNOCK	MN	473	PENNOCK
	BROOTEN	MN	581	BROOTEN
MIDWAY TELEPHONE COMPANY	IRVING	MN	451	IRVING-KORONIS
	IRVING	MN	451	VONORE
	NEW LONDON - MIN	MN	2352	NEW LONDON
	SEDAN	MN	180	SEDAN
	SPICER	MN	2273	SPICER
	SUNBURG	MN	338	SUNBURG
	TERRACE	MN	236	TERRACE
	DORCHESTER	WI	908	DORCHESTER
	MEDFORD	WI	4785	MEDFORD
	PERKINSTOWN	WI	835	PERKINSTOWN
MT. VERNON TELEPHONE COMPANY	STETSONVILLE	WI	873	STETSONVILLE
	MT VERNON	WI	435	MT. VERNON
	NEW GLARUS	WI	1628	NEW GLARUS
RIVERSIDE TELECOM, INC.	VERONA	WI	5244	VERONA
	JOHNSON CREEK	WI	1721	JOHNSON CREEK (I
	REESEVILLE	WI	1003	LOWELL
SCANDINAVIA TELEPHONE COMPANY	REESEVILLE	WI	1003	REESEVILLE
	IOLA	WI	1898	IOLA
STOCKBRIDGE & SHERWOOD TEL. CO	SCANDINAVIA	WI	458	SCANDINAVIA
	SHERWOOD	WI	1418	FOREST JUNCTION
	SHERWOOD	WI	1418	SHERWOOD
	STOCKBRIDGE	WI	658	STOCKBRIDGE
	TISCH MILLS	WI	574	TISCH MILLS
TENNEY TELEPHONE COMPANY	ALMA	WI	852	ALMA
WAUNAKEE TELEPHONE COMPANY	WAUNAKEE	WI	5328	DANE
	WAUNAKEE	WI	5328	WAUNAKEE
WINSTED TELEPHONE COMPANY	WINSTED	MN	1422	HOWARD LAKE
	WINSTED	MN	1422	LESTER PRAIRIE

COMPANY	EXCHANGE	STATE	LINEs	COMMUNITY
	WINSTED	MN	1422	MAYER
	WINSTED	MN	1422	NEW GERMANY
	WINSTED	MN	1422	SILVER LAKE
	WINSTED	MN	1422	WAVERLY
	WINSTED	MN	1422	WINSTED
CHICHESTER TELEPHONE COMPANY	CHICHESTER	NH	1328	CHICHESTER
EDWARDS TELEPHONE COMPANY, INC.	EDWARDS	NY	789	DEKALB JUNCTION
	EDWARDS	NY	789	EDWARDS
	HERMON	NY	1200	HERMON
HARTLAND & ST. ALBANS TELEPHONE CO	HARMONY	ME	602	HARMONY
	HARTLAND	ME	2120	HARTLAND
	WEST RIPLEY	ME	508	WEST RIPLEY
KEARSARGE TELEPHONE COMPANY	ANDOVER	NH	1088	ANDOVER
	BOSCAWEN	NH	844	BOSCAWEN
	NEW LONDON	NH	3182	NEW LONDON
	SALISBURY	NH	737	SALISBURY
LUDLOW TELEPHONE COMPANY	LUDLOW	VT	3300	CAVENDISH
	LUDLOW	VT	3300	LUDLOW
	PROCTORSVILLE	VT	734	PROCTORSVILLE
M & M TELEPHONE COMPANY	MANDATA	PA	2109	MANDATA
	TREVORTON	PA	1022	TREVORTON
MERIDEN TELEPHONE COMPANY, INC.	MERIDEN	NH	474	MERIDEN
NORTHFIELD TELEPHONE COMPANY	NORTHFIELD	VT	2784	NORTHFIELD
	NORTHFIELD	VT	2784	ROXBURY
ORISKANY FALLS TELEPHONE CORP.	ORISKANY FALLS	NY	727	ORISKANY FALLS
PERKINSVILLE TELEPHONE COMPANY	PERKINSVILLE	VT	837	BALTIMORE
	PERKINSVILLE	VT	837	PERKINSVILLE
	PERKINSVILLE	VT	837	WEATHERSFIELD
PORT BYRON TELEPHONE CO.	PORT BYRON	NY	2203	PORT BYRON
	SAVANNAH	NY	970	SAVANNAH
SOMERSET TELEPHONE COMPANY	ATHENS	ME	389	ATHENS
	BIGELOW	ME	1155	BIGELOW
	CARRABASSETT	ME	363	CARRABASSETT
	COBURN GORE	ME	34	COBURN GORE
	EMSDEN LAKE	ME	317	EMSDEN LAKE
	KINGFIELD	ME	793	KINGFIELD
	MERCER	ME	180	MERCER
	NEW VINEYARD	ME	282	NEW VINEYARD
	NORRIDGEWOCK	ME	1434	NORRIDGEWOCK
	NORTH ANSON	ME	872	NORTH ANSON
	NORTH NEW PORTL	ME	641	NORTH NEW PORT
	PHILLIPS	ME	875	PHILLIPS
	ROME	ME	489	ROME
	SALEM	ME	113	SALEM
	SMITHFIELD	ME	433	SMITHFIELD
	BOLON	ME	517	BOLON
	STRATTON	ME	737	STRATTON
	STRONG	ME	898	STRONG
	WELD	ME	452	WELD
SUGAR VALLEY TELEPHONE COMPANY	LOGANTON	PA	1004	LOGANTON
THE ISLAND TELEPHONE COMPANY	FRENCHBORO	ME	46	FRENCHBORO
	ISLE AU HAUT	ME	70	ISLE AU HAUT
	MATINICUS	ME	71	MATINICUS
	SWAN ISLAND	ME	327	ATLANTIC
	SWAN ISLAND	ME	327	MINTUM
	SWAN ISLAND	ME	327	SWANS ISLAND

COMPANY	EXCHANGE	STATE	LINE#	COMMUNITY
WARREN TELEPHONE COMPANY	WARREN	ME	1660	WARREN
WEST PENOBSCOT TELEPHONE & TELEGRAPH COMPANY	CORINNA	ME	969	CORINNA
	EXETER	ME	367	EXETER
	STETSON	ME	397	STETSON
AMELIA TELEPHONE CORPORATION	AMELIA	VA	3974	AMELIA COURT HO
	AMELIA	VA	3974	JETERSVILLE
BARNARDSVILLE TELEPHONE COMPANY	BARNARDSVILLE	NC	1104	BARNARDSVILLE
BLUE RIDGE TELEPHONE COMPANY	BLUE RIDGE	GA	4665	BLUE RIDGE
	BLUE RIDGE	GA	4665	MINERAL BLUFF
	BLUE RIDGE	GA	4665	MORGANTON
	DIAL	GA	651	DIAL
	LAKEWOOD	GA	2635	LAKEWOOD
BUTLER TEL CO	BUTLER	AL	2414	BUTLER
	LISMAN	AL	985	LISMAN
	NEEDHAM	AL	342	NEEDHAM
	PENNINGTON	AL	666	PENNINGTON
CALHOUN CITY TELEPHONE COMPANY INC	CALHOUN CITY	MS	2396	CALHOUN CITY
	SLATE SPRINGS	MS	388	SLATE SPRINGS
	VARDAMAN	MS	825	VARDAMAN
CAMDEN TELEPHONE COMPANY	CAMDEN	GA	15903	KINGS BAY
	CAMDEN	GA	15903	KINGSLAND
	CAMDEN	GA	15903	ST. MARY'S
	CAMDEN	GA	15903	WOODBINE
CONCORD TELEPHONE COMPANY	CONCORD	TN	15472	CONCORD
	CONCORD	TN	15472	FARRAGUT
GOSHEN TELEPHONE COMPANY	GOSHEN	AL	760	GOSHEN
GROVE HILL TELEPHONE COMPANY	GROVE HILL	AL	2067	GROVE HILL
HUMPHREYS COUNTY TELEPHONE COMPANY	NEW JOHNSONVILL	TN	1483	NEW JOHNSONVILL
LESLIE COUNTY TELEPHONE CO., INC.	BLED SOE	KY	634	BLED SOE
	BUCKHORN	KY	942	BUCKHORN
	CANOE	KY	628	CANOE
	DWARF	KY	529	DWARF
	HYDEN	KY	2040	HYDEN
	STINNETT	KY	1284	STINNETT
	WOOTEN	KY	1325	WOOTEN
LEWISPORT TELEPHONE COMPANY, INC.	LEWISPORT	KY	1158	LEWISPORT
MCCLELLANVILLE TELEPHONE COMPANY	AWENDAW	SC	564	AWENDAW
	MCCLELLANVILLE	SC	832	MCCLELLANVILLE
NEW CASTLE TELEPHONE COMPANY	NEW CASTLE	VA	1799	NEW CASTLE
	PAINT BANK	VA	86	PAINT BANK
NORWAY TELEPHONE COMPANY	NORWAY	SC	692	NORWAY
OAKMAN TELEPHONE COMPANY	FLATWOOD	AL	166	FLATWOOD
	LYNN	AL	451	LYNN
	NAUVOO	AL	729	NAUVOO
	OAKMAN	AL	956	OAKMAN
PEOPLES TELEPHONE COMPANY	ARONEY	AL	845	ARONEY
	CEDAR BLUFF	AL	1246	CEDAR BLUFF
	CENTRE	AL	3606	CENTRE
	COLLINSVILLE	AL	929	COLLINSVILLE
	CROSSVILLE	AL	1096	CROSSVILLE
	GAYLESVILLE	AL	707	GAYLESVILLE
	GRAYSON	AL	228	GRAYSON
	LEESBURG	AL	1243	LEESBURG
	RINEHART	AL	469	RINEHART
	SAND ROCK	AL	1254	SAND ROCK
	WHORTON	AL	1241	WHORTON

COMPANY	EXCHANGE	STATE	LINE#	COMMUNITY
QUINCY TELEPHONE COMPANY	ATTAPULGAS, GA	GA	682	ATTAPULGUS
	GREENSBORO	FL	1221	GREENSBORO
	GRETNA	FL	1151	GRETNA
	QUINCY	FL	8858	QUINCY
SALEM TELEPHONE COMPANY	SALEM	KY	1839	SALEM
SALUDA MOUNTAIN TELEPHONE COMPANY	SALUDA	NC	1408	SALUDA
SERVICE TELEPHONE COMPANY	FAIRBLUFF	NC	1072	FAIR BLUFF
SOUTHEAST MISSISSIPPI TELEPHONE COMPANY	LEAKESVILLE	MS	1689	LEAKESVILLE
	NEELY	MS	243	NEELY
	SANDHILL	MS	812	SANDHILL
	STATE LINE	MS	578	STATE LINE
ST. STEPHEN TELEPHONE COMPANY	BONNEAU	SC	1148	BONNEAU
	PINEVILLE	SC	840	PINEVILLE
	ST. STEPHEN	SC	2575	ST. STEPHEN
TELLICO TELEPHONE COMPANY	BALL PLAY	TN	397	BALL PLAY
	COKER CREEK	TN	501	COKER CREEK
	ENGLEWOOD	TN	1305	ENGLEWOOD
	NIOTA	TN	754	NIOTA
	RICEVILLE	TN	587	RICEVILLE
	TELLICO	TN	2189	TELLICO PLAINS
	BRUCETON	TN	1980	BRUCETON
	BRUCETON	TN	1990	HOLLOW ROCK
TENNESSEE TELEPHONE COMPANY	CLIFTON	TN	785	CLIFTON
	COLLINWOOD	TN	2341	COLLINWOOD
	CORNERSVILLE	TN	847	CORNERSVILLE
	DARDEN	TN	422	DARDEN
	DECATURVILLE	TN	1187	DECATURVILLE
	HALLS CROSSROAD	TN	7308	HALLS CROSSROAD
	LAVERGNE	TN	8887	LAVERGNE
	LINDEN	TN	1947	LINDEN
	LOBELVILLE	TN	1082	LOBELVILLE
	MT. JULIET	TN	12499	MT. JULIET
	PARSONS	TN	3643	PARSONS
	SARDIS	TN	385	SARDIS
	SCOTTS HILL	TN	1558	SCOTTS HILL
	WAYNESBORO	TN	2998	WAYNESBORO
	HOT SPRINGS	VA	1910	HEALING SPRINGS
	HOT SPRINGS	VA	1910	HOT SPRINGS
VIRGINIA TELEPHONE COMPANY	HOT SPRINGS	VA	1910	WARM SPRINGS
	NORTH	SC	1857	NORTH
	WILLISTON	SC	2588	WILLISTON
WILLISTON TELEPHONE COMPANY	BLUE RIDGE	AZ	692	BLUE RIDGE
	GREENEHAVEN	AZ	171	GREENEHAVEN
	HARQUAHALA	AZ	104	HARQUAHALA
	HYDER	AZ	232	HYDER
	MARBLE CANYON	AZ	84	MARBLE CANYON
	MORMON LAKE	AZ	300	MORMON LAKE
	ROOSEVELT	AZ	587	ROOSEVELT
	SASABE	AZ	57	SASABE
	SUPAI	AZ	68	SUPAI
	TONTO BASIN	AZ	539	TONTO BASIN
ARIZONA TELEPHONE COMPANY	ANATONE	WA	144	ANATONE
	ASOTIN	WA	821	ASOTIN
	FLORA-TROY	OR	109	FLORA-TROY
ASOTIN TELEPHONE COMPANY	KINGSLAND	AR	393	KINGSLAND
	RISON	AR	1371	RISON
CLEVELAND COUNTY TELEPHONE COMPANY				

COMPANY	EXCHANGE	STATE	LINES	COMMUNITY
DECATUR TELEPHONE COMPANY	ROWELL	AR	1118	ROWELL
DELTA COUNTY TELE-COMM	DECATUR	AR	1173	DECATUR
	CEDAREDGE	CO	2062	CEDAREDGE
	CRAWFORD	CO	585	CRAWFORD
	CRAWFORD	CO	585	MAHER
	ECKERT	CO	1283	AUSTIN
	ECKERT	CO	1283	CORY
	ECKERT	CO	1283	ECKERT
	ECKERT	CO	1283	ORCHARD CITY
	HOTCHKISS	CO	1451	HOTCHKISS
	HOTCHKISS	CO	1451	LAZEAR
	PAONIA	CO	1913	BOWIE
	PAONIA	CO	1913	PAONIA
	SOMERSET	CO	188	SOMERSET
HAPPY VALLEY TELEPHONE COMPANY	IGO	CA	440	IGO
	MINERSVILLE	CA	123	MINERSVILLE
	OLINDA	CA	1903	OLINDA
	PLATINA	CA	101	PLATINA
	TRINITY CENTER	CA	447	TRINITY CENTER
HOME TELEPHONE COMPANY	CONDON	OR	883	CONDON
HORNITOS TELEPHONE COMPANY	CATHEYS VALLEY	CA	148	CATHEYS VALLEY
	EXCHEQUER	CA	81	EXCHEQUER
	HORNITOS	CA	157	HORNITOS
	MT. BULLION	CA	158	MT. BULLION
LAKE LIVINGSTON TELEPHONE COMPANY	MEMORIAL POINT	TX	1088	MEMORIAL POINT
MID-AMERICA TELEPHONE COMPANY	BROMIDE	OK	110	BROMIDE
	FITSTOWN	OK	380	FITSTOWN
	HENNEPIN	OK	181	HENNEPIN
	STONEWALL	OK	879	STONEWALL
NEW LONDON TELEPHONE COMPANY	NEW LONDON	MO	882	NEW LONDON
OKLAHOMA COMMUNICATION SYSTEMS INC	ADAIR	OK	1007	ADAIR
	CHOCTAW	OK	3588	CHOCTAW
	CYRIL	OK	869	CYRIL
	ELGIN	OK	1641	ELGIN
	FLETCHER	OK	827	FLETCHER
	GRACEMONT	OK	388	GRACEMONT
	INOLA	OK	2118	INOLA
	JONES	OK	1486	JONES
	KELLYVILLE	OK	1388	KELLYVILLE
	MOUNDS	OK	1278	MOUNDS
	UNION CITY	OK	381	UNION CITY
	VERDEN	OK	520	VERDEN
ORCHARD FARM TELEPHONE	ORCHARD FARM	MO	891	ORCHARD FARM
POTLATCH TELEPHONE COMPANY	JULIAETTA	ID	411	JULIAETTA
	KENDRICK	ID	523	KENDRICK
STOUTLAND TELEPHONE COMPANY	ELDRIDGE	MO	458	ELDRIDGE
	STOUTLAND	MO	888	STOUTLAND
STRASBURG TELEPHONE CO	STRASBURG	CO	828	STRASBURG
TROY TELEPHONE COMPANY, INC.	TROY	ID	791	TROY
WINTERHAVEN TELEPHONE COMPANY	WINTERHAVEN	CA	1297	BARD
	WINTERHAVEN	CA	1297	FELICITY
	WINTERHAVEN	CA	1297	WINTERHAVEN
WYANDOTTE TELEPHONE COMPANY	WYANDOTTE	OK	588	WYANDOTTE

CERTIFICATE OF SERVICE

I, Judy Cooper, a secretary in the law firm of Koteen & Naftalin, hereby certify that on the 9th day of September, 1994, copies of the foregoing "Comments of Telephone and Data Systems, Inc." were deposited in the U.S. mail, postage prepaid, addressed to the following:

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